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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH0003 Despite a reduction in domestic prices, export prices increased approximately 1.0 percent from the previous week due to a strengthening Thai baht to 33.0 baht/\$. The Government has yet to release its rice stocks, however officials have been ordered to inspect the quality and quantity of outstanding stocks, a signal that a release is imminent.

Post:

Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Jan. 10, 2010

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,005	-	990	-	1,000	980	-	994	990
WR 100 B	590	-	620	-	590	595	600	599	594
PB 100%	600	-	630	-	600	600	610	608	606
PB 5%	590	-	620	-	590	595	600	599	597
WR 5%	560	-	600	-	574	565	590	578	573
WR 10%	550	-	590	-	569	555	-	566	565
WR 15%	525	-	580	-	-	530	-	545	545
WR 25%	500	-	530	-	-	515	-	515	513
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	410	-	-	-	420	430	-	420	417
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 33.0 baht/US \$

Source: Average actual prices received from exporters

Despite a reduction in domestic prices, export prices increased approximately 1.0 percent from the previous week due to a strengthening Thai baht to 33.0 baht/\$, as compared to 33.2 baht/\$ in the previous week. Meanwhile, foreign buyers did not execute any purchases as Thai rice prices remain too high. However, traders expect the government to start releasing stocks next month due to current government actions, such as ordering officials to inspect the quality and quantity of outstanding stocks and the appointment of a new Deputy Prime Minister, whose office is responsible to authorize stock releases, strong indicators that the Foreign Trade Department will be issuing tenders soon. Government officials and traders believe that stock releases in this period will have marginal impact on domestic prices as off-season crops will not be harvested until March.

Current market prices of white rice paddy declined 9.0 percent, a significant decline from the previous week, as speculative demand is less aggressive. The market is losing its momentum after the Philippine tenders finished last month. In addition, India is yet to enter the market despite its production shortfall. Benchmark prices are still higher than insurance prices for all rice grades, as such farmers will not receive insurance compensation during this period.

Table 2: Price Insurance Scheme for MY 2009/2010 rice crop

	Rice paddy				
	Fragrant rice (Hommali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) ^{a/}	14	16	25	16	25
2. Insured prices (Baht/ton) ^{a/}	15,300	14,300	10,000	9,500	10,000
3. Benchmark prices (Baht/ton) ^{b/}					
Oct. 1-15, 2009	14,986	13,899	9,896	7,523	8,806
Oct. 16-31, 2009	14,940	13,860	8,940	7,470	8,466
Nov. 1-15, 2009	14,840	13,729	9,175	7,680	8,389
Nov. 16-30, 2009	13,002	12,620	10,501	8,473	8,914
Dec. 1-15, 2009	13,720	13,388	10,565	9,591	9,242
Dec. 16-31, 2009	14,895	14,503	12,072	11,533	10,212
Jan. 1-15, 2010	15,369	14,757	12,198	11,706	10,072
4. Compensation (1-2), (Baht/ton)					
Oct. 1-15, 2009	314	401	104	1,977	1,194
Oct. 16-31, 2009	360	440	1,060	2,030	1,534
Nov. 1-15, 2009	460	571	825	1,820	1,611
Nov. 16-30, 2009	2,298	1,680	-	1,027	1,086
Dec. 1-15, 2009	1,580	912	-	-	758
Dec. 16-31, 2009	405	-	-	-	-
Jan. 1-15, 2010	-	-	-	-	-
5. Market prices (Baht/ton)					
Oct. 1-15	n.a.	n.a.	8,500	n.a.	8,600
Oct. 16-31	13,675	n.a.	8,575	n.a.	8,150
Nov. 1-15	14,075	14,000	9,775	8,800	8,525
Nov. 16-30	14,577	14,000	10,550	8,967	9,600
Dec. 1-15	15,125	14,000	12,050	11,500	10,738
Dec. 16-31	15,250	14,000	12,200	11,800	10,310
Jan. 1-15 ^{c/}	15,250	14,000	11,850	11,800	9,350

Note:

^{a/} Cabinet approval on Sep. 22, 2009^{b/} The benchmark prices will be published twice a month on the 1st and 16th, based on average historical wholesale prices of the last 15 days in Bangkok. These prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary of Ministry of Commerce.^{c/} As of Jan 11, 10

Rice Exports Update

Unofficial rice exports (excluding fragrant rice) for January 4-10, 2010 totaled 111,299 tons, up significantly from the previous week. Exports of white rice and parboiled rice during January 1-10, 2010 totaled 112,279 tons, up 32.6 percent from 84,663 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – December 30, 2009 amounted to 8,568,343 tons, down 14.4 percent from 10,011,035 tons in the previous year.

Table 3: Weekly rice exports (excluding fragrant rice)

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Oct 25	145,259	113,002	4,916	6,771	-27.4
Nov 1	114,220	117,520	5,030	6,827	-26.3
Nov 8	93,983	113,965	5,124	6,908	-25.8
Nov 15	112,300	116,441	5,237	6,997	-25.2
Nov 22	113,768	108,568	5,350	7,047	-24.1
Nov 29	75,104	98,789	5,426	7,101	-23.6
Dec 6	80,501	95,418	5,506	7,170	-23.2
Dec 13	116,586	96,490	5,623	7,258	-22.5
Dec 20	120,454	98,161	5,743	7,348	-21.8
Dec 27	126,910	111,113	5,870	7,453	-21.2
Dec 31, 2009	25,812	97,440	5,900	7,470	-21.1
Jan 3, 2010	1,000	-	1	3	-68.0
Jan 10	111,299	-	112	85	32.6

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data

Source: Board of Trade of Thailand

Table 4: Weekly private registered rice export sales

Movement (MT)	Dec. 21-25	Dec. 28-31	Jan. 4-8, 2010 (Preliminary)
Weekly sales	76,581	85,349	168,921
4 week sum	458,158	392,546	-
4 week mov. avg.	114,540	98,137	-
Total weekly sales	6,216,238	6,301,587	168,921

End of report.